# COVENANT OF DEED RESTRICTION

1989 AUG 10 AN 10 GO

OFFICIAL RECORDS MARIN COUNTY CALIFORNIE

JAMES J. DAL SON

Recording Requested By:

1

2

3

4

5

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Pacific Gas and Electric Company

When Recorded, Mail To:

AFTER THIS DOCUMENT HAS BEEN RECORDED PLEASE RETURN THE ORIGINAL RECORDED DOCUMENT TO:

TOM MARTINEZ PG&E 111 STONY CIRCLE SANTA ROSA, CA 95401-9599

> COVENANT AND AGREEMENT TO RESTRICT USE OF PROPERTY

Pacific Gas and Electric Company San Rafael, California

This Covenant and Agreement ("Covenant") is made as of the fourteenth day of July, 1989 by Pacific Gas and Electric Company, ("Covenantor"), a California Corporation which is the Owner of record of certain property situated in San Rafael, State of California, described in Exhibit A attached hereto and incorporated herein by this reference ("the Property") and by the California Department of Health Services, with reference to the following facts:

- Α. This property contains hazardous substances.
- В. Description of Facts.
- Contamination of the Property. The Property was the site of a gas manufacturing facility which operated from 1875 until its dismantling in 1960. Disposal of waste residues from the gas manufacturing process in low-lying marsh areas of

T PAPER

OF CALIFORNIA 13 (REV. 8-72)

the Property during this period resulted in contamination of soil and groundwater by polynuclear aromatic hydrocarbons (PNAs), also known as polycyclic aromatic hydrocarbons (PAHs).

Fuel storage facilities were formerly located within the Property. A gasoline station formerly located at the southwest corner of Second Street and Lincoln Avenue was leased by PG&E to! an independent operator. PG&E fueling facilities were formerly located south of Second Street, between Brooks Street and Lindaro Avenue. Two above-ground gasoline tanks and one underground diesel tank were formerly located centrally in the portion of the Property bounded by Lindaro Avenue, Second Street, Lincoln Avenue, and the railroad right-of-way. contamination of gasoline constituents, including benzene, toluene ethylbenzene and xylene have been found in soils in the vicinity of these fueling facilities and may be intermingled with the residues from the gas manufacturing process. In December, 1986 the above-ground and underground tanks from fueling facilities formerly located within the Property were removed, together with surrounding soil containing elevated levels of fuel constituents, for offsite disposal at a Class I landfill.

B.2. Exposure Pathways. The contaminants addressed in this Covenant have been found in soils and groundwater on the Property. Exposures can take place via in-place contact, surface-water runoff, and wind dispersal, resulting in dermal contact, inhalation, or ingestion by humans. The risk of public exposure is lessened by distance from contaminants, shortened



1

2

3

4

5

6

7

8

9

10

11.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

length of time of exposure, containment of contaminants and mitigation measures to control exposure. The purpose of the mitigation measures which have been used at the Property is to eliminate any significant risks to human health or the environment. A description of potential human health effects of contaminants found on the site is described in Exhibit B attached hereto and incorporated herein by this reference.

- Affected. The Property is located in a downtown commercial area of the City of San Rafael. Businesses within a two block radius of the Property include restaurants, auto repair shops, a sporting goods store, office buildings, banks, and a PG&E substation. The Property is adjacent to the tennis courts, baseball field, and Marin Wildlife Center located in Albert Park. The Property is located 300 meters (2/10 mile) from the Davidson Middle School. The Property is bisected by Lindaro Avenue which has heavy vehicle and pedestrian traffic. There are no private residences within a two block radius of the Property.
- C. Covenantor has made full and voluntary disclosure to the Department of the presence of hazardous substances on the Property, and Covenantor has conducted extensive sampling of the Property.
- D. Covenantor desires and intends that in order to protect the present or future public health and safety, the Property shall be used in such a manner as to avoid potential harm to persons or property which may result from hazardous

5 .

1! substances which have been deposited on unspecified portion(s)
2 of the Property.

ARTICLE I

11 -

4 GENERAL PROVISIONS

- sets forth protective provisions, covenants, restrictions, and conditions, (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and all of the Restrictions shall run with the land, and pass with each and every portion, of the Property, and shall apply to and bind the respective successors in interest thereof. Each and all of the Restrictions are imposed upon the entire Property unless expressly stated as applicable to a specific portion of the Property. Each and all of the Restrictions are for the benefit of and enforceable by the Department in accordance with applicable law.
- 1.2 Concurrence of Owners Presumed. All purchasers, lessees, or possessors of any portion of the Property shall be deemed by their purchase, leasing, or possession of such Property, to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents, employees, and lessees of such owners, heirs, successors, and assignees, that the Restrictions as herein established must be adhered to for the benefit of future Owners and Occupants and that their interest in the Property shall be

COURT PAPER STATE OF CALIFORNIA STD, 113 (REV. 8-72

1	subject to the Restrictions contained herein.
2	2 1.3 <u>Incorporation Into Deeds and Leases</u> . Covenantor
3	desires and covenants that the Restrictions set out herein shall:
4	
5	
6	ARTICLE II
7	DEFINITIONS
. 8	2.1 <u>Department</u> . "Department" shall mean the California
9	State Department of Health Services and shall include its
10	
11	2.2 <u>Improvements</u> . "Improvements" shall mean all
12	buildings, roads, driveways, regradings, and paved parking
13	•
14	•
15	·
16	relationship to the exclusive right to occupy any portion of the
17	1
18	2.4 Owner or Owners. "Owner" or "Owners" shall mean
19	the Covenantor and/or its successors in interest, including
20	heirs, and assigns, who hold title to all or any portion of the
21	Property.
22	2.5 <u>Director</u> . "Director" shall mean the Director of
23	the California Department of Health Services or his or her
24	designee.



### ARTICLE III

DEVELOPMENT, USE, AND CONVEYANCE OF THE PROPERTY

- 3.1 <u>Restrictions on Development and Use</u>. Covenantor promises to restrict the use of the Property as described in said Exhibit A as follows:
- a. Development of the Property shall be restricted to commercial or office space.
- b. No residence for human habitation shall be permitted on the Property.
  - c. No hospitals shall be permitted on the Property.
- d. No schools for persons under 21 years of age shall be permitted on the Property.
- e. No day care centers for children or day care centers for Senior Citizens shall be permitted on the Property.
- f. The entire area shall be covered with buildings, parking, walkways or landscaping (hereinafter collectively referred to as "Cap") to prevent offsite migration of contaminants, and prevent exposure to onsite workers.
- g. No grading or excavation on the Property that would permanently expose contaminated soils shall be permitted.
- h. Any contaminated soils brought to the surface by grading, excavation, trenching, or backfilling shall be managed in accordance with Consent Order Docket Number: HSA 89/90-002 agreed to by Covenantor and the Department and all applicable provisions of state and federal law.
- i. All uses and development of the property shall preserve the integrity of the slurry wall, groundwater

3 :

- extraction system, groundwater treatment system, and groundwater
- 2 monitoring system installed on the Property pursuant to the San
- 3. Francisco Bay Regional Water Quality Control Board (RWQCB) Waste
- 4 Discharge Requirements Order Number 85-80 adopted on
- 5 June 19, 1985, except as approved by the RWQCB. In addition,
- 6 Covenantor promises to comply with the following requirements:
- 7 j. The Owner shall notify the Department and the RWQCB
- 8 of each of the following: 1) The type, cause, location and date:
- of any disturbance to the Cap which could affect the ability of
- 10 the Cap to contain subsurface hazardous substances on the
- 11 Property and 2) The type and date of repair of such disturbance.
- 12 Notification to the Department shall be made by registered mail
- within five (5) working days of both the discovery of cap
- 14 disturbance and the completion of repairs.
- 15 k. The Department or the RWQCB shall have access to the Property for the purposes of inspection, surveillance,
- or monitoring, as provided for in Chapters 6.5 and 6.8 of the
- 18 Health and Safety Code and Chapter 4 of Division 7 of the Water
- 19 Code.
- 20 3.2 Conveyance of Property. The Owner or Owners shall
- 21 provide a thirty (30) days advance notice to the Department of
- 22 any sale, lease, or other conveyance of the Property or an
- 23 interest in the Property to a third person. The Department
- 24 shall not, by reason of the Covenant, have authority to approve,
- disapprove, or otherwise affect any sale, lease, or other
- 26 conveyance of the Property except as otherwise provided by law
- 27 or by reason of this Covenant.

	1 3.3 <u>Enforcement</u> . Failure of the Owner to comply with
2	be
3	grounds for the Department, by reason of this Covenant, to have
4	the authority to require that the Owner modify or remove any
5	the provisions of
6	Paragraphs 3.1. (f) through (i) of this Covenant, and to modify
7	any use of the Property in violation of the provisions of
. 8	Paragraphs 3.1 (a) through (e) of this Covenant.
9	ARTICLE IV
10	AMENDMENT AND TERMINATION
11	4.1 Amendment. Any Owner or, with the Owner's consent,
12	any Occupant of the Property or any portion thereof may apply to
13	•
14	this Covenant. Such application shall contain 1) a statement of
15	who is applying for the amendment; 2) the proposed amendment; and
16	3) a statement of reasons in support of the granting of the
17	amendment. In addition, the owner shall demonstrate to the
18	satisfaction of the Department that the proposed amendment will
19	
20	hazardous waste or extremely hazardous waste:
21	a. The creation or increase of significant present or
22	future hazards to the public.
23	b. Any significant diminution of the ability to
24	mitigate any significant potential or actual hazard to public
25	health.
26	c. Any long-term increase in the number of humans or
27	animals exposed to significant hazards which affect the health,

URT PAPER TE OF CALIFORNIA ). 113 (REV. 8-72) 1 well-being, or safety of the public.

9 |

11:

14.

15:

16.

Upon making a decision to approve or deny the proposed amendment, the director shall issue and cause to be served the decision and findings of fact on the owner of the land, the legislative body of the city or county in whose jurisdiction the land is located, and upon any other interested persons. If the Department agrees to the proposed amendment, the director and all of the owners of the land shall execute an instrument reflecting this agreement, shall particularly describe the real property affected by the instrument, and the owner shall record the instrument in the county in which the land is located within ten (10) days of the date of execution.

- 4.2 Termination. Any Owner or, with the Owner's consent, an Occupant of the Property or a portion thereof may apply to the Department for a termination of the Restrictions as they apply to all or any portion of the Property on the ground that the substances no longer create a significant existing or potential hazard to present or future public health or safety. Any application shall contain sufficient evidence for the Department to make a finding upon any or all of the following grounds:
- a. The hazardous substances which caused the land to be contaminated have since been removed or altered in a manner which precludes any significant existing or potential hazard to present or future public health.
- b. New scientific evidence is available concerning either of the following:



1 "	1. The nature of the hazardous substances
2	contamination;
3	or
4	2. The geology or other physical environmental
5	characteristics of the contaminated land.
6	Upon making a decision to approve or deny the
7	proposed termination, the director shall issue and cause to be
8 .	served the decision and findings of fact on the owners of the
9	land, the legislative body, and the city or county in whose
10	jurisdiction the land is located, and upon any other interested
11.	person. If the Department approves, in writing, the proposed
12	termination of the Restrictions, the director and all of the
13	owners of the land shall record or cause to be recorded, a
14	termination of the Restrictions which shall particularly
15 $\mu$	describe the real property subject to the Restrictions and which
16:	shall be indexed by the recorder in the grantor index in the
17	name of the record title owner of the real property subject to
18	the Restrictions, and in the grantee index in the name of the
19 :	Department.
20	4.3 Term. Unless terminated in accordance with paragraph
21	4.2 above, by law or otherwise, this Covenant shall continue in
22	effect in perpetuity.
23	ARTICLE V
24	MISCELLANEOUS
25	5.1 No Dedication Intended. Nothing set forth herein
26   	shall be construed to be a gift or dedication, or offer of a

COURT PAPER
STATE OF CALIFORNIA
STD. 113 (REV. 8-72)

35 34769

27

gift or dedication, of the Property or any portion thereof to

1	the general public or for any purposes whatsoever.
2	5.2 Notices. Whenever any person gives or serves any
3.	notice, demand, or other communication with respect to this
4	Covenant, each such notice, demand, or other communication shall
5	be in writing and shall be deemed effective 1) when delivered,
6	if personally delivered to the person being served or to an
7	officer of a corporate party being served or official of a
. 8	government agency being served, or 2) three (3) business days
9	after deposit in the mail if mailed by United States mail,
10	postage paid certified, return receipt requested:
11.	To: "Covenantor" ; Pacific Gas and Electric Company
12	Attention: Redwood Region General Services  Manager
13	111 Stony Circle Santa Rosa, CA 95401-9599
14	Copy to: California Department of Health Services
15	Toxic Substances Control Division Technical Support Unit
16.	714/744 P Street Post Office Box 942732
17	Sacramento, CA 94234-7320
18	Copy to: California Department of Health Services Toxic Substances Control Division
19	Attention: PG&E-San Rafael Project Officer 5850 Shellmound Street, Suite 100
20	Emeryville, CA 94608
21	5.3 Partial Invalidity. If any portion of the Restrictions
22	set forth herein or terms is determined to be invalid for any
23	reason, the remaining portion shall remain in full force and
24	effect as if such portion had not been included herein.
25	5.4 Article Headings. Headings at the beginning of each
26	numbered article of this Covenant are solely for the convenience



27

of the parties and are not a part of the Covenant.

1	5.5 Recordation. This instrument shall be executed by the
2	Covenantor and by the Chief of the Region 2, Toxic Substances
3	1
4	Services. This instrument shall be recorded by the Covenantor
5	in the County of Marin within ten (10) days of the date of
6	execution.
7	5.6 References. All references to Code sections include
. 8	successor provisions.
9	
10	IN WITNESS WHEREOF, the parties execute this Covenant as of the
11	date set forth above.
12	
13	Covenantor: Pacific Gas and Electric Company
14	By: Mayer
15	Richard A. Draeger
16	Title: Vice President - General Services
17	- Date: July 18, 1989
18	
19	
20	Agency: State of California
21	Department of Health Services
22	By: Downda to 5
23	Howard K. Hatayama
24	Title: Section Chief, Region 2
25	Toxic Substances Control Division
26	Date: July 18, 1989
11	<b>!</b>

URT PAPER (TE OF CALIFORNIA ), 113 (REV. 8-72)

1 STATE OF CALIFORNIA 2 COUNTY OF SAN FRANCISCO 3 On July 18, 1989 before me, the undersigned, a Notary 4 Public in and for said state, personally appeared \_\_\_\_ 5 Mr. R. A. Areger, personally known to me or proved to me on the 6 basis of satisfactory evidence to be the person who executed the: within instrument as wenter of the corporation that 8 3 executed the within instrument, and acknowledged to me that such 9 1 corporation executed the same pursuant to its bylaws or a 10 resolution of its board of directors. 11 12 13 WITNESS my hand and official seal. 14 15 OFFICIAL SEAL 16 C.T. NEAL-MADISON C.T. New- Madison NOTARY PUBLIC - CALIFORNIA CITY & COUNTY OF SAN FRANCISCO ] 17 My Commission Expires Oct. 16, 1996 Notary Public in and for said 18 County and State 19 20 21 22 23 24

DURT PAPER ATE OF CALIFORNIA D. [13 (REV. 8-72]

25

26

STATE OF CALIFORNIA COUNTY OF ALAMEDA

3

4

5

6

7

8

9 į

1

2

On July 18, 1989 before me, the undersigned, a Notary

Public in and for said state, personally appeared

Howard K. Hatayama, personally known to me or proved to me on

the basis of satisfactory evidence to be the person who executed

the within instrument as Chief of the Region 2, Toxic Substances

Control Division of the Department of Health Services, the

Agency that executed the within instrument, and acknowledged to

me that such agency executed the same.

11.

12:

13

14.

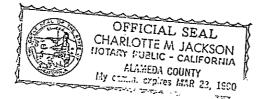
15.

16

17

10

WITNESS my hand and official seal.



Charlatte m. Greken

Notary Public in and for said County and State

19

18

20

21

22

23

24

25

26

27

OURT PAPER TATE OF CALIFORNIA TO. 113 (REV. 8-72)

## EXHIBIT "A" Legal Description of Premises

PARCEL ONE Easterly of Lindaro Street

Beginning at the most southerly corner of the parcel of land described and designated 2 in the deed from the City of San Rafael to Pacific Gas and Electric Company recorded September 16, 1938 in Book 369 of Official Records at page 348, Marin County Records and running thence along the southwesterly boundary line of said parcel of land designated 2

(1) north 54° 38.0' west 15.74 feet to the southwesterly corner of said parcel of land designated 2; thence leaving the southwesterly boundary line of said parcel of land designated 2 and running along the westerly boundary line of said parcel of land designated 2

(2) north 7° 15.0' east 18.66 feet, and

(3) north 8° 53.0' east 367.52 feet to the most northerly corner of said parcel of land designated 2, said most northerly corner being a point in the easterly boundary line of the parcel of land described in the deed from Pacific Gas and Electric Company to the City of San Rafael dated April 6, 1937 and recorded in Book 341 of Official Records at page 128, Marin County Records; thence leaving the westerly boundary line of said parcel of land designated 2 and running along the easterly boundary line of the parcel of land described in said deed dated April 6, 1937

(4) north 8° 53.0' east 53.72 feet, and

- (5) north 6° 45.0' east 300.78 feet to a point in the southerly boundary line of Second Street, said southerly boundary line being in part the northerly boundary line of the parcel of land conveyed by James L. Flood and Maud L. Flood to Pacific Gas and Electric Company by deed dated June 30, 1925 and recorded in Book 73 of Official Records at page 155, Marin County Records, and of the parcel of land described in the deed from Thomas F. Smith and wife to Pacific Gas and Electric Company dated September 27, 1951 and recorded in Book 702 of Official Records at page 402, Marin County Records; thence leaving the easterly boundary line of the parcel of land described in said deed dated April 6, 1937 and running along the southerly boundary line of Second Street
  - (6) south 83° 33.0' east 429.90 feet to the most westerly corner of the parcel of land described in the deed from Pacific Gas and Electric Company to the City of San Rafael dated September 20, 1960 and recorded in Book 1507 of Official Records at page 378, Marin County Records; thence leaving said southerly boundary line of Second Street and running along the general westerly boundary line of the parcel of land described in said deed dated September 20, 1960
- (7) southerly on a curve to the right with a radius of 10.00 feet, through a central angle of 90° 00'00 and tangent at the northwesterly terminus thereof to the preceding course, an arc distance of 15.71 feet; thence

(8) south 6° 27.0' west 299.32 feet; thence

(9) southerly on a curve to the left with a radius of 527.00 feet, through a central angle of 14° 58' 30" and tangent at the northerly terminus thereof to the preceding course, an arc distance of 137.73 feet

# EXHIBIT "A" Legal Description of Premises (Continued)

PARCEL ONE (Continued)

to the most southerly corner of the parcel of land described in said deed dated September 20, 1960 said most southerly corner being also the most northerly corner of the parcel of land described in the deed from the City of San Rafael to Pacific Gas and Electric Company dated May 15, 1960 and recorded in Book 1507 of Official Records at page 381, Marin County Records; thence leaving the general westerly boundary line of the parcel of land described in said deed dated September 20, 1960 and running along the reasterly boundary line of the parcel of land described in said deed dated May 15, 1960

(10) southeasterly on a curve to the left with a radius of 527.00 feet, through a central angle of 21° 10' 36" and tangent at the northwesterly terminus thereof to a line which has a bearing of north 8° 31.5' west, an arc distance of 194.78 feet;

thence leaving the easterly boundary line of the parcel of land described in said deed dated May 15, 1960 and running along the southeasterly boundary line of the parcel of land described in said deed dated May 15, 1960

- (11) southwesterly on a curve to the right with a radius of 431.70 feet, through a central angle of 16° 32' 00" and tangent at the northeasterly terminus thereof to a line which has a bearing of north 54° 31.5' east, an arc distance of 124.56 feet to a point in the easterly boundary line of the parcel of land conveyed by said deed dated June 30, 1925; thence leaving the southeasterly boundary line of the parcel of land described in said deed dated May 15, 1960 and running along the easterly boundary line of the parcel of land conveyed by said deed dated June 30, 1925
- (12) south 11° 05.0' west 11.51 feet to the southeasterly corner of the parcel of land conveyed by said deed dated June 30, 1925 and running along the southerly boundary line of the parcel of land conveyed by said deed dated June 30, 1925
- (13) westerly on a curve to the right with a radius of 495.85 feet to a point in the easterly boundary line of said parcel of land designated 2; thence running along the easterly boundary line of said parcel of land designated 2
- (14) south 6° 45.0' west 25 feet, more or less, to the point of beginning.

### EXHIBIT A Legal Description of Premises (Continued)

PARCEL TWO Westerly of Lindaro Street

Beginning at the intersection of the southerly boundary line of Second Street, a city street, with the westerly boundary line of Lindaro Avenue, a city street, and running thence along the westerly boundary line of said Lindaro Avenue,

south 6° 45.0' west 299.22 feet; thence (1)

south 8° 53.0' west 405.54 feet to a point in the northerly (2) boundary line of the Northwestern Pacific Railroad Right of Way; thence along said Right of way,

north 54° 38.0 west 389.82 feet; thence (3)

- (4) north 6° 27.0' east 276.90 feet; thence south 83° 33.0' east 237.90 feet; thence
- north 6° 45.0' east 239.00 feet to a point in the southerly boundary line of said Second Street; thence along the southerly boundary line of said Second Street,
- south 83° 33.0' east 120.85 feet, more or less, to the point of beginning; said point of beginning bears south 73° 30' 26" west 35.91 feet distant from the found 1-3/4 inch bronze rod accepted as marking the intersection of the centerline of said Lindaro Avenue with the southerly curb line of said Second Street as shown upon the map filed for record in Volume 2 of Surveys at page 83, Marin County Records.

PARCEL THREE San Rafael Substation

Beginning at the northwest corner of the parcel of land conveyed by F. M. Neely and wife to Pacific Gas and Electric Company by deed dated October 28, 1921 and recorded in Book 11 of Official Records at page 209, Marin County Records, and running thence along the westerly boundary line of said parcel of land

(1) south 6° 27.0' west 230.00 feet; thence leaving the westerly boundary line of said parcel of land

south 83° 33.0' east 237.90 feet;

thence

(3) north 6° 45.0' east 239.00 feet to a point in the northerly boundary line of said parcel of land; thence running along the northerly boundary line of said parcel of land

(4) north 83° 33.0' west 239.15 feet, more or less, to the point of

beginning.

PARCEL FOUR North Bay Division Office

All of that real property situated in the City of San Rafael, County of Marin, State of California, more particularly described as follows:

The parcel of land bounded on the north by the southerly line of Third Street, on the west by the easterly boundary line of Brooks Street, on the south by the northerly boundary line of Second Street and on the east by the westerly boundary line of Lindaro Street.

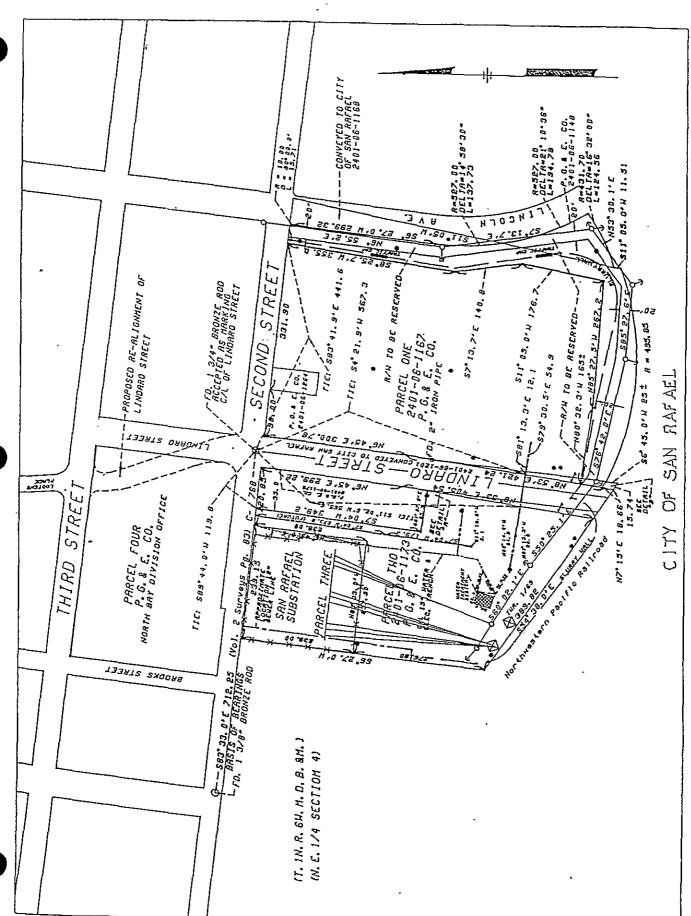


EXHIBIT A PRGE 4 OF 4

Exhibit B Deed Restriction Pacific Gas & Electric - San Rafael

The Property is known to contain hazardous substances including benzene, ethylbenzene, toluene, xylene, polynuclear aromatic hydrocarbons, including benzo(a)pyrene and naphthalene. These substances have been contained by installation of a slurry wall, a site Cap, a system groundwater monitoring wells, and a water treatment system. Ιf this containment system were to be damaged by unauthorized excavation, destruction of the groundwater extraction system, or impairment of the groundwater treatment system, occupants of the Property could be exposed to the contained chemical compounds, but the exposure would not likely present significant human health risks.

The risk assessment prepared by Harding Lawson Associates ("Final Risk Appraisal, San Rafael Retail Project," dated June 21, 1989 concluded that the pavement and buildings associated with the retail project would mitigate virtually all potential dust emissions from the Property. Volatilization of hazardous substances is not expected to be a significant route of exposure, considering that all landscaped areas will be backfilled with at least two feet of clean soil and vapor barriers and sealants will be used under the buildings to further minimize any potential emissions. Calculated exposure levels to onsite workers and visitors following construction of the retail project are well below the generally accepted risk

> Exhibit B Page 1 of 2

COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 8-72)

1

2

3

4 :

5

6

7

8

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

#### Exhibit B

3 :

COURT PAPER STATE OF CALIFORNIA STD. 113 (REV. 8-72) threshold of one in one million.

The risk assessment performed by Decision Focus Inc. ("Risk Assessment of the San Rafael Gas Plant Site, Phase I: Baseline, Phase II, Trenching", dated June, 1989) concluded that as the site currently stands (without construction of the retail project) the lifetime cancer risks to all potentially exposed populations are well below the one in a million level.

Should the additional mitigation measures associated with the retail project be disturbed for any reason, the worst case with regard to the lifetime cancer risks would revert to the conclusion of the risk assessment prepared for the baseline conditions, which would still be below the one in a million level.

Exhibit B Page 2 of 2